

April 10, 1973

SENATOR DUIS: Mr. Chairman, members of the Legislature, Senator Carstens has gone and asked if I might take the committee amendments if that's all right with you, please sir. The committee amendments merely on page 5, let's start with page 2 in line 14 after the word Lloyds, we put the word type in there because we do not believe that you can designate a particular insurance company but merely a type of insurance. On page 5 in line 4 we find that the word reasonable should have been unreasonable, so we put the "UN" in front of reasonable and on line 6 instead of knowingly filing with any super, super, super--wow--anyhow, we changed that to filing, instead of knowingly filing and then in line 16 instead of knowingly making we changed that to just making. In other words that you would not have to be knowingly doing it. The other amendments that are in it are merely technical amendments that the committee made as it went along and we did strike out the one line on page 15, line 21 and 22 are struck out and then there are some word "ors" put in there in order to make the bill consistent. Then on page 19 we struck lines 9 and 10 which corresponded with those lines which were struck on the other page and then I would ask that the committee amendments be adopted.

PRESIDENT: Any further discussion of the committee amendments? Question is, shall the committee amendments then be adopted? All those in favor please say aye, those opposed say no. So ordered, the committee amendments are adopted. Back to you, Senator Waldron.

SENATOR WALDRON: Mr. President, members of the Legislature, I move the bill be advanced to E & R for Review. Mr. President, members of the Legislature, this bill adopts for the State of Nebraska a model unfair trade practices act for the insurance industry. This will give the Department of Insurance powers which they do not have in regard to unfair practices done by insurance, the insurance industry in general. They have a section of law, Chapter 44 now, which will be repealed and this will be substituted for it and it's a model act to bring this into conformity with most other states that have this type of legislation and I think it will give the Insurance Department the power if they so desire to eliminate unfair practices in the insurance industry so I would move for its adoption.

PRESIDENT: Any further discussion now of the bill? Senator Nore.

SENATOR NORE: Mr. President, I'd like to have Senator Waldron explain some of those practices, unfair practices. What are they?

PRESIDENT: Senator Waldron, you care to respond?

SENATOR WALDRON: It would be any practice, Senator, which would be deceptive or a misrepresentation of the benefits that the policy would provide or, like the length of time would they pay the benefits or how soon they would pay, you know some of the advertising that you see today where it says you are going to get huge benefits and then you read the fine print and it only pays them, actually it doesn't really pay that much and these are the things the Department of Insurance--when they've got a complaint from an individual who felt that he had been, his insurance agent or his insurance company has misrepresented something to him, then the Department would decide or they would probably hold a hearing, one thing or another to decide whether or not it was deceptive or a misrepresentation of some type and if it was, then they would ask the insurance company that was doing this to desist in its efforts and it would be my guess that then this insurance company would probably, if it was really trying to cheat